

BK 1161 PG 0795

STATE MS - DESOTO CO.

Nov 2 10 18 AM '99

MORTGAGE RIDER

BK 1161 PG 0795
W.F. CLK.

THIS MORTGAGE RIDER, made and entered into on this the 21st day of October, 1999, by and between Stanley W. Satterfield and his wife, Tammy M. Satterfield, parties of the first part, hereinafter collectively called "Mortgagor," and FIRST TENNESSEE BANK NATIONAL ASSOCIATION, a national banking association having its principal place of business in Memphis, Tennessee, party of the second part, hereinafter called "Mortgagee";

WITNESSETH:

WHEREAS, the Mortgagor has made, executed and delivered unto the Mortgagee that certain Deed of Trust ("Mortgage"), of even date herewith, recorded in the Register's Office of Desoto County, Mississippi (in Book 1160, at Page 413) (under Register No.), constituting a lien upon the real property ("Mortgaged Premises") in Desoto County, Mississippi, more particularly described in Exhibit "A", attached hereto, and made a part hereof by reference, for the purpose of securing the indebtedness evidenced and to be evidenced by that certain Promissory Note ("Note"), also of even date herewith, executed by the Mortgagor to the order of the Mortgagee; and

WHEREAS, the Mortgagor and the Mortgagee have entered into a Residential Construction Loan Agreement ("Construction Loan Agreement"), also of even date herewith, pursuant to which Mortgagee has agreed to extend to the Mortgagor credit for the acquisition of the property described in the Mortgage and/or for the construction of certain improvements ("Improvements") thereon, the terms of said Construction Loan Agreement being incorporated herein by reference as fully and particularly as if set out herein verbatim; and

WHEREAS, the Mortgagor has become or shall hereafter become indebted to the Mortgagee for the purposes described above in the principal sum of ONE HUNDRED FORTY THOUSAND and NO /100 Dollars (\$ 140,000.00), with interest thereon, during the Construction Loan Period (as that term is defined in the Construction Loan Agreement) at the rate specified in the Note, subject to any adjustments as are provided for in the Note; and

WHEREAS, the Mortgagee is desirous of securing the prompt payment of the indebtedness evidenced and to be evidenced by said Note, the interest thereon, and any additional indebtedness accruing to the Mortgagee on account of any future payments, advances, or expenditures made by the Mortgagee as hereinafter provided;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements herein set forth, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, it is agreed by the parties as follows:

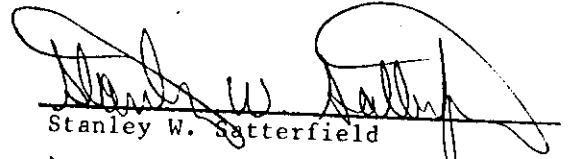
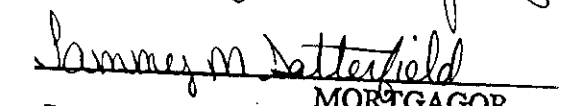
1. Incorporation. This Mortgage Rider is hereby incorporated into and shall be deemed to amend and supplement the Mortgage; and, in the event of any conflict between the provisions herein contained (including the Construction Loan Agreement which is incorporated herein by reference) and the provisions of the Mortgage, the provisions herein contained shall control over any such conflicting provisions in the Mortgage.

2. Inspection. During the course of the construction of the Improvements, the Mortgagee or its agents shall have the privilege of inspecting the same.
3. Advances. Parts or the whole of any construction loan advance may be made before they would otherwise become due if the Mortgagee believes it advisable so to do, and all such advances shall be deemed to have been made pursuant to the agreement between the parties hereto and not to be in modification thereof.
4. Events of Default. The principal indebtedness represented by the Note and secured by the Mortgage, together with all accrued interest thereon, shall become immediately due and payable, at the option of the Mortgagee, upon the occurrence of any of the Events of Default specified herein or in the Construction Loan Agreement. Upon the occurrence of any event, circumstances or condition which constitutes, or would, with the giving of notice, lapse of time, or both, constitute an Event of Default, the Mortgagee shall be relieved of any obligation to make further advances to the Mortgagor.
5. Excess Advances. If the Mortgagee is obliged to expend, for the purposes herein set forth, sums of money which will exceed the amount of the principal agreed to be advanced hereunder, such excess, with interest thereon at the rate specified in the Note from the time of each advancement, shall be added to the principal due hereunder, and the Mortgagee shall have all the remedies for the collection thereof which are herein specified regarding the principal hereof.
6. Lien of Mortgage. The lien of the Mortgage shall attach to all materials brought in and about the premises, used or intended to be used, in connection with the improvements to be erected.
7. Additional Rights of Mortgagee. Upon the default of the Mortgagor in the performance of any of the terms and covenants herein contained, or the Mortgagor's failure to complete with dispatch construction of the Improvements as contemplated in the agreement between the parties or upon the abandonment of the work for any single period of ten (10) consecutive days or in the aggregate for more than thirty (30) days for any reason, or should any event occur which entitled the holder of the Mortgage to demand the principal thereof or to refuse any further advancements on account of such principal, the holder of the Mortgage shall be fully and completely entitled, empowered and authorized, irrevocably, by the Mortgagor, without any further consent or authorization, to expend all sums of money which in its judgment and discretion shall be reasonably necessary, for the following purposes:
 - (a) To protect and preserve the Mortgaged Premises.
 - (b) To complete the Improvements and to pay and satisfy all obligations incurred for materials and labor employed in such construction.
 - (c) To pay for all work and materials already provided and furnished to the Mortgagor, the Mortgagee being authorized either to continue the construction under outstanding contracts of the Mortgagor or to create independent contracts for such completion.
8. Attorney-in-Fact. To induce the Mortgagee to advance the principal sum secured hereby or any part thereof, and as a prime and essential consideration to the Mortgagee, the Mortgagor, for himself, his heirs, successors and assigns, hereby constitutes and appoints the Mortgagee, irrevocably, as his agent for the purpose of making the foregoing expenditures and for the purposes of carrying out in every respect the authority herein granted, and upon the completion of the Improvements to enter into written or oral contracts in the name of and on behalf of the Mortgagor for renting or hiring of the Mortgaged Premises or any part thereof, under such terms and conditions as may seem advisable to the Mortgagee, and to use the rents, issues, and profits for the upkeep and maintenance of the Mortgaged Premises and for the payment of prior liens and the liquidation of all interest due on such prior liens, as well as to the Mortgagee as to others, and for taxes, insurance, water charges, etc., and to apply any surplus to the amount due for principal on the within Mortgage.

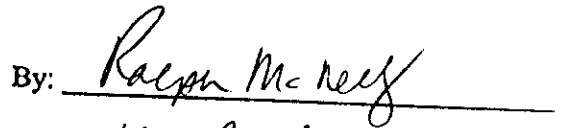
9. Release of Mortgage Rider. In the event that the Mortgagor shall well and truly keep and perform all of the Mortgagor's covenants and agreements, as set forth in the Note (as amended by Rider to Note, also of even date herewith), the Mortgage, as amended hereby, and the Construction Loan Agreement, then and in such event the Mortgagee will record a termination and release of this Rider in the Register's Office of Desoto County, ~~Mississippi~~ Mississippi, and, upon such recordation, this Rider and the Construction Loan Agreement shall thereafter be of no further force or effect.

10. Miscellaneous. As used herein, the singular number shall include the plural, the plural the singular, and the use of any gender shall apply to all genders, as the context may require.

IN WITNESS WHEREOF, the Mortgagor and the Mortgagee have executed this Mortgage Rider on this the day and year first above written.

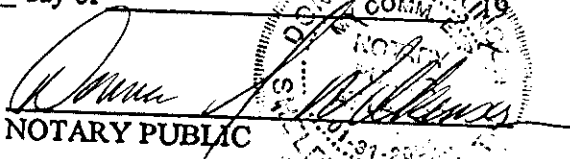
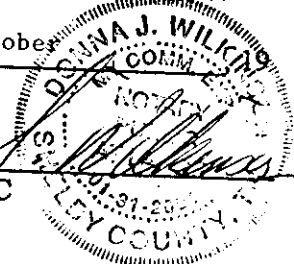

Stanley W. Satterfield

Tammy M. Satterfield MORTGAGOR

FIRST TENNESSEE BANK-
NATIONAL ASSOCIATION

By: 
Title: Vice President
MORTGAGEE

STATE OF TENNESSEE
COUNTY OF SHELBY

Personally appeared before me, THE UNDERSIGNED, a Notary Public in and for said State and County duly commissioned and qualified, STANLEY W. SATTERFIELD & WIFE, TAMMY M. SATTERFIELD and who acknowledged that THEY executed the within instrument for the purposes therein contained.

WITNESS my hand, at office, this 21st day of October, 99

NOTARY PUBLIC


My Commission Expires:

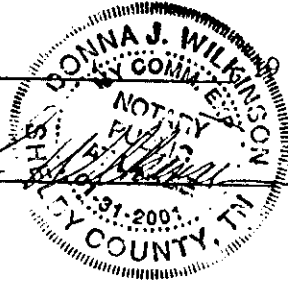
1/31/2001

STATE OF TENNESSEE
COUNTY OF SHELBY

Personally appeared before me, THE UNDERSIGNED, a Notary Public in and for said State and County duly commissioned and qualified, RALPH MCNEELY, with whom I am personally acquainted, and who acknowledged that HE executed the within instrument for the purposes therein contained, and who further acknowledged that HE is the VICE PRESIDENT of FIRST TENNESSEE BANK NATIONAL ASSOCIATION (the "Maker") and is authorized by the Maker to execute this instrument on behalf of the Maker.

WITNESS my hand, at office, this 22nd day of October 99.


NOTARY PUBLIC



My Commission Expires:

1/31/2001

THIS INSTRUMENT PREPARED BY:

H. MARK BEANBLOSSOM, ATTORNEY
6525 QUAIL HOLLOW #511
MEMPHIS, TN 38120

901-758-0500